GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2019
ANSWERED ON:13.12.2004
DECLINING CAPITAL IN AGRICULTURE SECTOR
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether there has been a steady decline in capital formation in the agriculture sector in recent years;

(b) if so, the details thereof during the last three years, year-wise;

(c) the reasons, if any, identified for the decline; and

(d) the remedial steps proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) & (b): The Gross Capital Formation (GCF) in agriculture excluding forestry, logging and fishing did not register any decline during the latest three-year period for which data are available, i.e. 2000-01 to 2002-03. However, GCF at constant prices showed a decline by 2.3 per cent to Rs.16906 crores in 2000-01 from Rs.17304 crores in 1999-2000. Nevertheless, GCF at current prices did not show any decline. The details of Gross Capital Formation in Agriculture excluding forestry, logging and fishing both at current and constant prices (1993-94 prices) are given below:

Gross Capital Formation in Agriculture (excluding allied sectore)

(Rs. Crores)

Year	At current prices	At 1993-04 prices
1999-2000	28152	17304
2000-01	28210	16906
2001-02	30365	17328
2002-03	33508	18657

Source: Central Statistical Organisation.

(c): Does not arise.

(d): The steps aimed at boosting investment in agriculture are the following:

-? Doubling rural credit in three years, easing the burden of debt and high interest rate and nursing cooperative back to health.

-? Special programme for dry land farming in the arid and semi-arid regions of the country, horticulture and water management.

-? Stepping up public investment in agriculture research and extension, rural infrastructure, and irrigation.